

Message Text

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SUBJECT: PRESS MATERIAL

1. HERewith FULL TEXT MARQUIS CHILDS OP-ED COLUMN THE
WASHINGTON POST TUESDAY DECEMBER 28 HEADED "THE MEXICAN
CHANGES THAT MUST COME."

2. PRESIDENT JOSE LOPEZ PORTILLO IS A LARGE, IMPRESSIVE
MAN, WHO, WHILE OUTWARDLY CALM, NEVERTHELESS KNOWS HE
HASN'T A MOMENT TO LOSE IF HE IS TO OVERCOME THIS COUNTRY'S
GRAVE FINANCIAL AND ECONOMIC CRISIS. HE TOLD ME THAT HE
HAS SIX MONTHS TO BRING ABOUT AT LEAST A DEGREE OF
STABILITY.

3. IT SEEMS TO ME THAT THE RELATIONS BETWEEN THE TWO
NEIGHBORING COUNTRIES ARE AS IMPORTANT AS ANY ASPECT OF THE
FOREIGN POLICY OF THE INCOMING CARTER ADMINISTRATION.
MEXICO, ALONG WITH MOST OF LATIN AMERICA, HAS BEEN TAKEN
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FOR GRANTED TOO LONG. THE NEWS THAT GETS INTO THE U.S.
PRESS, FOR INSTANCE, IS USUALLY SENSATIONAL--A RIOT OR AN
EARTHQUAKE.

4. THAT WAS TRUE WHEN THE PESO WAS DEVALUED AND CAPITAL
BEGAN TO FLOW OUT OF THE COUNTRY. PORTILLO IS FRANK TO SAY

THAT MUCH OF THIS CAPITAL HAS NOT RETURNED. BUT SINCE TAKING OFFICE LESS THAN A MONTH AGO, HE HAS INSPIRED A NEW CONFIDENCE. HE KNOWS, HOWEVER, THAT IS NOT ENOUGH TO BRING ABOUT THE CHANGES THAT MUST COME.

5. "IN VIEW OF THE FLUCTUATION IN YOUR RULES AND REGULATIONS WE CANNOT ORGANIZE FOR THE LONG TERM," HE SAID, "AND THIS IS PARTICULARLY TRUE IN AGRICULTURE. YOUR ANTI-DUMPING LAWS MAKE IT IMPOSSIBLE TO WORK IN COMPETITION.

6. "I WOULD LIKE TO SEE A JOINT COMMISSION NAMED TO STUDY TRADE BETWEEN THE TWO COUNTRIES. THIS SHOULD MAKE IT POSSIBLE TO WORK IN COMPETITION AND ORGANIZE BOTH INDUSTRY AND AGRICULTURE FOR THE LONG TERM."

7. INVESTMENT IN MEXICO MUST MEAN JOBS, WHICH WOULD EASE THE GREATEST CRISIS--UNEMPLOYMENT AND UNDEREMPLOYMENT. IF MEXICANS CANNOT FIND JOBS IN THEIR OWN COUNTRY, THEY GO OVER THE BORDER, WHICH HAS HAPPENED ON A MASS SCALE. TODAY THERE ARE 7 TO 8 MILLION ILLEGAL ALIENS, A LARGE PROPORTION MEXICANS.

8. THIS NUMBER IS BOUND TO GROW IF UNEMPLOYMENT AND UNDEREMPLOYMENT CONTINUE AT THE ESTIMATED RATE OF 40 PER CENT. THE ILLEGALS HAVE HELPED TO PUSH UP THE U.S. UNEMPLOYMENT RATE, AND THEY ARE ELIGIBLE FOR WELFARE WITHOUT ANY PROOF OF U.S. CITIZENSHIP.

9. "YOUR INCOMING PRESIDENT DOESN'T HAVE THE LAND PROBLEM
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THAT BESETS ME," LOPEZ PORTILLO SAID. "AGRARIAN REFORM MEANS SECURITY, EFFICIENCY AND JUSTICE. THOSE ARE ALL TIED TOGETHER AND YOU CANNOT HAVE ONE WITHOUT THE OTHER."

10. ONE OF HIS IMMEDIATE PROBLEMS IS TO PERSUADE THE SQUATTERS WHO HAVE MOVED INTO RICH AGRICULTURAL LANDS IN THE NORTH TO YIELD TO THE LAW. THE PRESIDENT KNOWS THAT BREAKING UP THE BIG HACIENDAS INTO SMALL PLOTS WOULD ALMOST CERTAINLY BRING A DECLINE IN AGRICULTURAL PRODUCTION, AND MEXICO HAS HAD TO INCREASE ITS IMPORTS OF FOODSTUFFS IN RECENT YEARS.

11. IN THE UNITED STATES ABOUT 4 PER CENT OF THE POPULATION SUPPLIES FOOD NOT ONLY FOR HOME CONSUMPTION BUT ALSO TO FEED LARGE AREAS OF A HUNGRY WORLD. IN MEXICO ABOUT 48 PER CENT OF THE PEOPLE WORK ON THE LAND, AND MANY ARE PART-TIME WORKERS BARELY Eeking OUT A LIVING.

12. SEVENTY PER CENT ARE UNDER 30 YEARS OF AGE AND MORE THAN 50 PER CENT ARE UNDER 14. THIS, AS LOPEZ PORTILLO

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SAYS, PRESENTS THE CLASSICAL GROWTH PROBLEM. BEFORE HE BECAME MINISTER OF FINANCE AND WAS ACTIVE IN POLITICS, HE SPENT PART OF HIS LIFE IN SERIOUS PROFESSIONAL STUDIES OF URBAN DEVELOPMENT, HOUSING AND THE ECONOMY.

13. "I BELIEVE WE ARE ON THE WAY TO BRINGING THE POPULATION INCREASE UNDER CONTROL," HE SAID. "TWO YEARS AGO THE RATE OF INCREASE WAS 3.6 PER CENT. THAT HAS BEEN REDUCED TO 3.2 PER CENT AND I BELIEVE THAT BY 1982 IT WILL BE 2.6 PER CENT." BUT EVEN WITH THIS REDUCTION, WHICH THE PRESIDENT SAYS IS VOUCHERED FOR BY TOP DEMOGRAPHERS, EDUCATING THE YOUNG AND FINDING JOBS FOR THEM IS AN OVERWHELMING UNDERTAKING.

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14. AS HE SAID IN HIS INAUGURAL ADDRESS, HE WILL DEVOTE HIMSELF TO TRYING TO MASTER AN ECONOMY THAT, ALONG WITH PROBLEMS WITHIN THE COUNTRY, GOT A SEVERE JOLT FROM THE WORLDWIDE DEPRESSION.

15. THE OIL BONANZA THAT CAME IN A FEW YEARS AGO IS SUFFICIENT FOR DOMESTIC CONSUMPTION WITH A MINIMUM OF EXPORTS. AGAINST THE WISHES OF THOSE WHO WOULD LIKE TO KEEP THE BULK OF IT IN THE GROUND PENDING THE DEVELOPMENT OF REFINERIES AND A PETROCHEMICAL INDUSTRY, LOPEZ PORTILLO MEANS TO INCREASE THE OUTPUT FOR SALE ON THE WORLD MARKET.

16. LOPEZ PORTILLO KNOWS THAT, IF HE FAILS TO AID THE ECONOMY, THE FUTURE WOULD BE UNCERTAIN--NOT ONLY FOR MEXICO, WITH ITS 64,000,000 PEOPLE, BUT FOR THE BIG NEIGHBOR TO THE NORTH. UNEMPLOYMENT, TERRORISM AND VIOLENCE WILL BE EXPORTED ACROSS A 2,000-MILE BORDER.

17. AS WITH PROBABLY EVERY HEAD OF STATE AROUND THE WORLD, LOPEZ PORTILLO IS ANXIOUS FOR A TALK WITH THE NEW AMERICAN PRESIDENT AS SOON AFTER HIS INAUGURATION AS POSSIBLE. IN THE OPINION OF THIS OBSERVER, FOR THE STABILITY OF THE CONTINENT AND, FOR THAT MATTER, THE WORLD, HE SHOULD HAVE A VERY HIGH PRIORITY. (END TEXT.)

ROBINSON

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